Approved For Release 2000/04/18 C1A-RDP81B00879R001100020005-7

DP8 - 4758 Copy 3of 6 October 6, 1958

Haller, Reymond & Brown, Inc. State College, Pennsylvania

REF: Contract AF 33(600)-35906

Gentlemen:

Your invoice number 16 has been approved for payment in the amount of \$1,390.24, which is \$395.18 less than the total emount billed.

We are suspending payment of fixed fee in the emount of \$116.80 as claimed on invoice number 16 and also \$278.38 of the fixed fee which we inadvertently paid on invoice number 15, since in accordance with Clause 4(c), Allowable Cost, Fixed Fee, and Payments, of the General Provisions of the cited contract, fixed fee can only be paid up to 85% of the total fixed fee allowed by the contract. In this case, 85% of the total fixed fae (\$16,706.76) is \$14,200.74 -- which is the amount we have paid after making the suspensions listed above. The remaining balance of fixed fee (\$2,506.01) will be paid after we receive the final release from you, along with an invoice reclaiming same.

Furthermore, it is brought to your attention that \$395.18 of the \$4,178.77 previously withheld under Clause 13 (f), Patent Rights, and Clause 17 (d), Reporting of Royalties, by our letter number 26558, dated 17 April 1958 -- could be released at this time; however, rather than to release small sums at a time, it is requested that you submit the reports which are required by these clauses. We will then make payment of the \$4,178.77 in full.

Very truly yours,

Distribution:

0 & 1 - Addressee

3 - Contract SC-990 (Finance) 4 - CONTRACTS

5 - Finance Reading File

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6 October 1958

Doug

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